

ED COMMITTEE #1
February 6, 2012
Worksession

MEMORANDUM

February 2, 2012

TO: Education Committee

FROM: Essie McGuire, Senior Legislative Analyst 

SUBJECT: **Worksession – Supplemental Appropriation to the Montgomery County Public Schools FY12 Capital Budget and the FY11-16 Capital Improvements Program, \$1,339,200 for Education Rate (E-rate) Program funds for the Technology Modernization Project and a transfer for the Relocatable Classrooms Project (Source: Federal funds and transfer of current revenue)**

Today the Education Committee will review a supplemental appropriation to the Montgomery County Public Schools (MCPS) FY12 Capital Budget and the FY11-16 Capital Improvements Program, \$1,339,200 for Federal Education Rate (E-rate) Program funds for the Technology Modernization Project and a transfer of current revenue for the Relocatable Classrooms Project. A draft appropriation and transfer resolution is attached on circles 2-3.

The Board of Education requested the supplemental appropriation on November 11, 2011. The County Executive recommended approval of the appropriation of Federal funds and also recommended a transfer of current revenue from the Technology Modernization project to the Relocatable Classrooms project (transmittal memorandum attached beginning at circle 1). The Council is scheduled to hold a public hearing and take action on February 14.

Supplemental Appropriation

The source of funds for the supplemental appropriation is Federal E-rate dollars. E-rate is a Federal program that provides rebates for school systems for certain telecommunication expenses. Beginning in FY09, MCPS has been using E-rate funds to pay for an interactive classroom technology initiative which installed Promethean white board technology in secondary classrooms. The total cost of the initiative was projected to be \$13.3 million, to be paid in installments from FY09-FY12.

MCPS is requesting appropriation of the FY12 E-rate funds to make the fourth and final payment for this initiative. Council staff supports using the Federal dollars for this purpose, as previously discussed, and recommends approval of the supplemental appropriation request.

Transfer of Current Revenue

The County Executive also recommends transferring \$1.3 million in current revenue from the Technology Modernization project to the Relocatable Classrooms project. Typically, MCPS requests a supplemental appropriation for the Relocatable Classrooms in the spring to begin work on its FY13 capital request for the project. Transferring these funds at this time will begin to meet that anticipated need and requested increase for FY13. While a supplemental appropriation may still be needed, it would be significantly less if this \$1.3 million of current revenue is available.

This transfer would still give MCPS the E-rate dollars to use for the Promethean payment but would keep the FY12 appropriation level rather than increasing it by this amount. This would likely require MCPS to reprioritize and adjust its County funding for the project to accommodate the payment within the current appropriation. MCPS provided the following information on the impact of this transfer:

If the County Council approves the Executive's recommendation of transferring \$1,339,200 in current revenue from the Technology Modernization program, the district's plans to integrate wireless services in elementary schools will be affected. As a result, the installation of wireless networks in 42 schools that had been planned for March 2012 will need to be scaled back significantly, and approximately 30 of these schools will not have their wireless network installed. Creating wireless networks in our schools is a key strategy for providing greater access to digital curricular resources and instructional technology directly in our classrooms. We may be able to offset some of the impact of this cut on wireless networks installations by delaying some software upgrades and equipment replacements, but this will be limited and will have its own implications on schools.

Council staff notes that in the first discussions of the planned payment schedule with the Education Committee, MCPS stated that if funds were insufficient to meet the payments in future years it would reprioritize expenses in the Technology Modernization project to meet its obligation. Given the current fiscal climate and the pressures on both the capital and operating budgets, Council staff supports the Executive's approach to maximize the use of the Federal funds and require the school system to reprioritize technology expenditures to free up current revenue for pressing capacity needs.

Council staff recommends approval of the Executive's recommended transfer of current revenue from Technology Modernization to Relocatable Classrooms.



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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

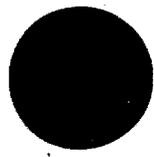
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Isiah Leggett
County Executive

RECEIVED
MONTGOMERY COUNTY

MEMORANDUM

January 17, 2012



TO: Roger Berliner, President, County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Supplemental Appropriation #4-S12-CMCP3-3 and Amendment to the FY12 Capital Budget and the FY11-16 Capital Improvements Program
Montgomery County Public Schools
Technology Modernization (No. 036510)
Relocatable Classrooms (No. 846540)
Education Rate (E-Rate) Program, \$1,339,200-

I am recommending a supplemental appropriation to the FY12 Capital Budget in the amount of \$1,339,200 for the Montgomery County Public Schools (MCPS) to receive funding under the Education Rate (E-Rate) Program for the Technology Modernization project. I am also recommending a transfer of \$1,339,200 in Current Revenue from the Technology Modernization project to the Relocatable Classrooms project to address the current capacity issues.

The E-Rate funds from the Federal Communication Commission's Schools and Libraries Program provide incentives for the use of technology in schools by providing rebates on Internet and telecommunication service costs. MCPS has been using these funds toward a lease/purchase agreement with Dell Marketing, LP to acquire Promethean boards and learning/response systems for secondary schools. MCPS is planning on using this supplemental request to complete their fourth and final payment for the interactive classroom technology systems.

I recommend approving this E-Rate supplemental request, but I am also recommending transferring \$1,339,200 in Current Revenue from the Technology Modernization project to the Relocatable Classrooms project. This would allow MCPS to utilize its existing approved FY12 appropriation for the Technology Modernization project, but also address the more pressing capacity issues at the elementary school level through additional relocatable classrooms. This would help address the additional funding MCPS requested in FY13 for relocatable classrooms.

I am recommending that the County Council approve this supplemental appropriation of \$1,339,200 and specify the source of funds as Federal Aid. I am also recommending the transfer of \$1,339,200 in Current Revenue from the Technology Modernization project to the Relocatable Classrooms project. I appreciate your prompt consideration of this action.

IL:bd

Attachments

Resolution: _____

Introduced: _____

Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #4-S12-CMCPS-3 and Amendment to the FY12 Capital Budget and the FY11-16 Capital Improvements Program
Montgomery County Public Schools
Technology Modernization (No. 036510)
Relocatable Classrooms (No. 846540)
Education Rate (E-Rate) Program, \$1,339,200

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State, or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
3. The County Executive recommends the following capital project appropriation increase and transfer:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Technology Modernization	036510	\$1,339,200	Federal Aid
Technology Modernization	036510	(\$1,339,200)	Current Revenue
Relocatable Classrooms	846540	<u>\$1,339,200</u>	Current Revenue
TOTAL		\$1,339,200	Federal Aid

4. The Board of Education requested a supplemental request of \$1,339,200 in E-Rate funds for the Technology Modernization project. The E-Rate funds from the Federal Communication Commission's Schools and Libraries Program provide incentives for the use of technology in schools by providing rebates on Internet and telecommunication service costs. MCPS has been using these funds toward a lease/purchase agreement with Dell Marketing, LP to acquire Promethean boards and learning/response systems for secondary schools. MCPS is planning on using this supplemental request to complete their fourth and final payment for the interactive classroom technology systems.
5. The County Executive has requested an amendment to the FY11-16 Capital Improvements Program and a supplemental appropriation in the amount of \$1,339,200 for Montgomery County Public Schools and specifies that the source of funds will be Federal Aid. The County Executive is also recommending transferring \$1,339,200 in Current Revenue from the Technology Modernization project to the Relocatable Classrooms project. This would allow MCPS to utilize its existing approved FY12 appropriation for the Technology Modernization project but would also address the more pressing capacity issues at the elementary school level through additional relocatable classrooms. This would help address the additional funding MCPS requested in FY13 for relocatable classrooms.
6. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

A supplemental appropriation to the FY12 Capital Budget and amendment to the FY11-16 Capital Improvements Program is approved for the Montgomery County Public Schools is amended as reflected on the attached project description forms.

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Technology Modernization	036510	\$1,339,200	Federal Aid
Technology Modernization	036510	(\$1,339,200)	Current Revenue
Relocatable Classrooms	846540	<u>\$1,339,200</u>	Current Revenue
TOTAL		\$1,339,200	Federal Aid

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Technology Modernization -- No. 036510

Category
Subcategory
Administering Agency
Planning Area

Montgomery County Public Schools
Countywide
Public Schools
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 03, 2012
No
None
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY10	Rem. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	216,755	60,407	18,897	137,451	18,878	18,178	21,847	25,313	26,393	26,842	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	216,755	60,407	18,897	137,451	18,878	18,178	21,847	25,313	26,393	26,842	0

FUNDING SCHEDULE (\$000)

Current Revenue: General	125,487	11,780	5,525	108,182	2,326	5,578	21,730	25,313	26,393	26,842	0
Current Revenue: Recordation Tax	83,941	48,627	11,572	23,742	13,052	10,573	117	0	0	0	0
Federal Aid	7,927	0	1,800	5,627	3,500	2,027	0	0	0	0	0
Total	216,755	60,407	18,897	137,451	18,878	18,178	21,847	25,313	26,393	26,842	0

DESCRIPTION

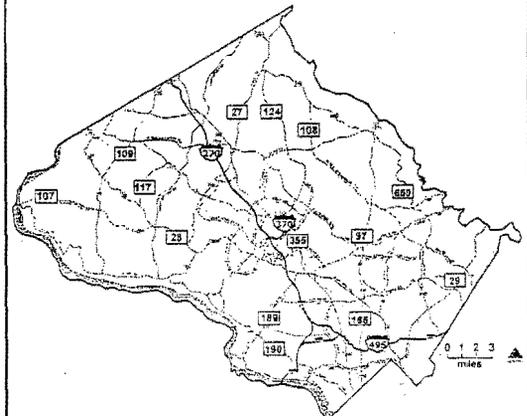
The Technology Modernization (Tech Mod) project is a key component of the MCPS strategic technology plan, Educational Technology for 21st Century Learning. This plan builds upon the following four goals: students will use technology to become actively engaged in learning, schools will address the digital divide through equitable access to technology, staff will improve technology skills through professional development, and staff will use technology to improve productivity and results.

An FY 2005 appropriation was approved to roll-out the implementation of the technology modernization program. This project will update schools' technology hardware, software, and network infrastructure on a four-year replacement cycle, with a 5:1 computer/student ratio. The County Council, in the adopted FY 2005-2010 CIP reduced the Board of Education's request for the outyears of the FY 2005-2010 CIP by \$10.945 million. An FY 2006 appropriation and amendment to the FY 2005-2010 CIP was approved to continue the rollout plan. An FY 2007 appropriation was approved to continue this level of effort project. The expenditures for FY 2007 reflect three years of finance payments, as originally planned, in addition to the current year refreshment costs. The expenditures in the outyears represent the ongoing costs of a four-year refreshment cycle. An FY 2008 appropriation was approved to continue this project.

The Board of Education, in the Requested FY 2009 Capital Budget and FY 2009-2014 CIP, included additional funding for new initiatives for the Technology Modernization program. On May 22, 2008, the County Council approved an FY 2009 appropriation as requested by the Board of Education; however, the County Council reduced the expenditures earmarked for the Middle School Initiative program for FY 2010-2014. In FY 2009, MCPS purchased and installed interactive classroom technology systems in approximately 2/3 of all secondary classrooms. The total cost is projected at \$13.3 million, financed over a four-year period (\$3.4M from FY 2009-2012). The funding source for the initiative is anticipated to be Federal e-rate funds. The Federal e-rate funds programmed in this PDF consist of available unspent e-rate balance: \$1.8M in FY 2010, \$1.8M in FY 2011, and \$327K in FY 2012. In addition, MCPS projects future e-rate funding of \$1.6M each year (FY 2010-2012) that may be used to support the payment obligation pending receipt and appropriation. No county funds may be spent for the initiative payment obligation in FY 2010-2012 without prior Council approval.

This PDF reflects a decrease in the FY 2010 appropriation and FY 2010-2012 expenditures as requested by the Board of Education. The decrease in expenditures will temporarily extend the MCPS desktop replacement cycle from four to five years. The County Council will reconsider how to resume the four-year replacement cycle in a future CIP. An FY 2011 appropriation was approved; however, it was \$1.011 million less than the Board of Education's request. The appropriation will continue the technology modernization project and return to a four-year replacement cycle starting in FY 2013; as well as fund one additional staff position for this project. During the County Council's reconciliation of the amended FY 2011-2016 CIP, the Board of Education's requested FY 2012 appropriation was reduced by \$3.023 million due to a shortfall in Recordation Tax revenue.

APPROPRIATION AND EXPENDITURE DATA			COORDINATION (\$000)	
Date First Appropriation	FY03	(\$000)	FY 11	FYs 12-16
First Cost Estimate			Salaries and Wages:	1893
Current Scope	FY00	0	Fringe Benefits:	807
Last FY's Cost Estimate		219,778	Workyears:	20.5
Appropriation Request	FY12	18,178		102.5
Supplemental Appropriation Request		0		
Transfer		0		
Cumulative Appropriation		98,182		
Expenditures / Encumbrances		37,659		
Unencumbered Balance		60,523		
Partial Closeout Thru	FY09	16,050		
New Partial Closeout	FY10	0		
Total Partial Closeout		16,050		



Relocatable Classrooms -- No. 846540

Category
Subcategory
Administering Agency
Planning Area

Montgomery County Public Schools
Countywide
Public Schools
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 03, 2012
No
None
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY10	Rem. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	1,975	400	200	1,375	325	250	200	200	200	200	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	28,836	12,336	3,925	12,575	3,425	1,950	1,800	1,800	1,800	1,800	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	30,811	12,736	4,125	13,950	3,750	2,200	2,000	2,000	2,000	2,000	*

31,672

FUNDING SCHEDULE (\$000)

Current Revenue: General	30,333	12,258	4,125	13,950	3,750	2,200	2,000	2,000	2,000	2,000	0
Current Revenue: Recordation Tax	478	478	0	0	0	0	0	0	0	0	0
Total	30,811	12,736	4,125	13,950	3,750	2,200	2,000	2,000	2,000	2,000	0

DESCRIPTION

32,150

15,289

3,537

MCPS currently has a total of 551 relocatable classrooms. Of the 551 relocatables, 437 are used to address over utilization at various schools throughout the system. The balance, 114 relocatables, are used at schools undergoing construction projects on-site, or at holding schools, or for other uses countywide. Units around 15-20 years old require general renovation if they are to continue in use as educational spaces.

The County Council, on April 4, 2006, approved a \$3.0 million special appropriation requested by the Board of Education to allow MCPS to enter into contracts in order to have the relocatable units ready for the 2006-2007 school year. Also, an FY 2006 special appropriation in the amount of \$975,000 was approved to provide relocatable classrooms for the acceleration of full-day kindergarten for the schools scheduled to receive the program in the 2007-2008 school year. An FY 2006 special appropriation in the amount of \$2.1 million was approved to return 121 relocatables to the vendor in order to begin the process of systematically removing aging relocatables from our schools. The \$2.1 million also provided for the replacement of six older units, the relocation of six units and the addition of a canopy at a school.

The County Council approved, in the FY 2007-2012 CIP, additional expenditures in FY 2007 and FY 2008 to provide replacement relocatables for Potomac Elementary School and to provide relocatables for Bells Mill Elementary School when the school moved to the Grosvenor holding facility during modernization. The County Council, on May 8, 2007 approved a \$3.572 million special appropriation that accelerated the FY 2008 appropriation requested by the Board of Education to allow MCPS to enter into contracts to have the relocatable units ready for the 2007-2008 school year. An FY 2008 special appropriation of \$3.125 million was approved by the County Council on April 22, 2008, to accelerate the FY 2009 appropriation requested by the Board of Education to allow MCPS to enter into contracts in order to have the relocatable units ready for the 2008-2009 school year. An FY 2009 special appropriation of \$3.125 million was approved by the County Council to accelerate the FY 2010 appropriation requested by the Board of Education to allow MCPS to enter into contracts in order to have the relocatable units ready for the 2009-2010 school year.

An FY 2010 appropriation and amendment to the FY 2009-2014 CIP was approved for an additional \$1.0 million beyond the \$3.125 million included in the adopted CIP to provide relocatable classrooms at schools experiencing unanticipated enrollment growth. An FY 2011 appropriation was requested to provide for the relocation of approximately 90 relocatable classrooms to address overutilization at various schools throughout the county. The FY 2011 appropriation also will provide necessary repairs to maintain the relocatable classroom inventory. An FY 2010 special appropriation of \$6.750 million was approved by the County Council to accelerate the FY 2011 appropriation requested by the Board of Education to allow MCPS to enter into contracts in order to have the relocatable units ready for the 2010-2011 school year. Due to favorable construction bids for the 2010-2011 relocatable placements, the County Council reduced the FY 2010 appropriation and the FY 2011 expenditure by \$3.0 million to be used in the operating budget. Due to fiscal constraints, the County Council, in the adopted FY 2011-2016 CIP, reduced the expenditures in FYs 2012-2016 by a total of \$6.8 million. An FY 2011 supplemental appropriation of \$2.2 million was approved by the County Council to accelerate the FY 2012 appropriation requested by the Board of Education to allow MCPS to enter into contracts in order to have the relocatable units ready for the 2011-2012 school year.

OTHER DISCLOSURES

- * Expenditures will continue indefinitely.

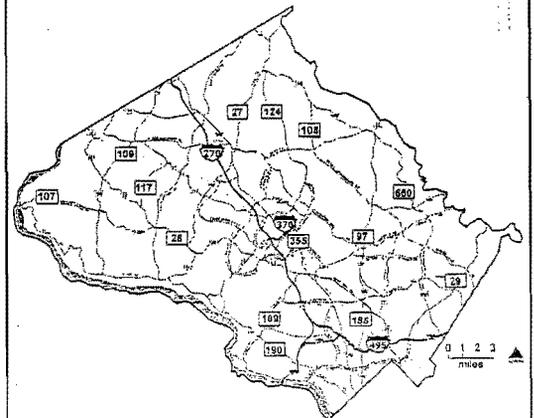
APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY84	(\$000)
First Cost Estimate		
Current Scope	FY02	21,470
Last FY's Cost Estimate		30,811
Appropriation Request	FY12	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		22,811
Expenditures / Encumbrances		16,819
Unencumbered Balance		5,992
Partial Closeout Thru	FY09	56,588
New Partial Closeout	FY10	0
Total Partial Closeout		56,588

COORDINATION

CIP Master Plan for School Facilities

1,339

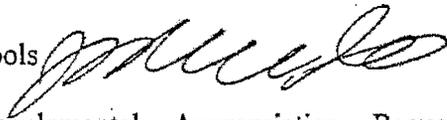


Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

November 11, 2011

MEMORANDUM

To: The Honorable Isiah Leggett, County Executive
The Honorable Valerie Ervin, President,
Montgomery County Council

From: Joshua P. Starr, Superintendent of Schools 

Subject: Transmittal—Fiscal Year 2012 Supplemental Appropriation Request for
Technology Modernization

Board of Education Meeting Date: November 8, 2011

Type of Action:

Supplemental Appropriation.

Transfer

Notification

JPS:JS:ak

Attachment

Copy to:

Mr. Bowers

Dr. Spatz

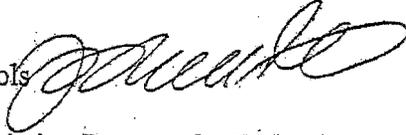
Montgomery County Office of Management and Budget

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

November 8, 2011

MEMORANDUM

To: Members of the Board of Education

From: Joshua P. Starr, Superintendent of Schools 

Subject: Fiscal Year 2012 Supplemental Appropriation Request for Technology Modernization

Background

The context within which our students learn is characterized by a strong emphasis on leveraging technology to facilitate knowledge acquisition. As a result, Montgomery County Public Schools (MCPS) has made the integration of technology into teaching and learning one of our key improvement initiatives. In support of the district's ongoing efforts to improve teaching and learning, in June 2008, the Board of Education entered into a lease/purchase agreement with Dell Marketing, LP to acquire Promethean boards and learning response systems for approximately two-thirds of all secondary classrooms. The expansion of Promethean technologies to all secondary schools was made possible by utilizing telecommunications expenditure rebates available through the federal Education Rate (E-Rate) program.

E-Rate is the commonly used title of the Federal Communication Commission's Schools and Libraries Program that provides incentives for the use of technology in schools by providing rebates on Internet and telecommunications service costs. Since the program began 13 years ago, MCPS has used its cost rebates to support improving student access to technology in our schools by purchasing technology hardware and software. These rebates apply to expenditure costs the district incurs for Internet, telephone (land lines and wireless) services, and network connections.

The County Council approved the expenditure of E-Rate funds in the MCPS Capital Improvements Program beginning in Fiscal Year (FY) 2010. The amount approved in FY 2012 for the fourth and final payment for the interactive classroom technology systems for secondary schools was \$2,027,000. A supplemental appropriation of \$1,339,200 is necessary to make this final payment. These funds are available from E-Rate allocations that will be received this year. Therefore, I recommend that the Board of Education approve the following resolution:

WHEREAS, In June 2008, the Board of Education approved the purchase of interactive classroom technology systems for approximately two-thirds of all secondary classrooms at a total cost of \$13.3 million, financed over a four-year period (\$3.4 million from fiscal years 2009–2012); and

WHEREAS, Federal Education Rate funds were designated as the source of funding these interactive classroom technology systems; and

WHEREAS, The County Council appropriated Federal Education Rate funds in fiscal years 2010–2012, including \$2,027,000 in Fiscal Year 2012; and

WHEREAS, An additional appropriation of \$1,339,200 is necessary to make the fourth and final payment for the interactive classroom technology systems in secondary schools, and these funds are available from Federal Education Rate funds that will be received in Fiscal Year 2012; now therefore be it

Resolved, That the Board of Education requests a Fiscal Year 2012 supplemental appropriation in the amount of \$1,339,200 for the final of four payments for secondary school interactive classroom technology systems; and be it further

Resolved, That a copy of this resolution be transmitted to the county executive and the County Council.

JPS:LAB:SC:rb

Technology Modernization -- No. 036510

Category
Subcategory
Administering Agency
Planning Area

Montgomery County Public Schools
Countywide
MCPS
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

June 09, 2011
No
None
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY10	Rem. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	216,755	60,407	18,897	137,451	18,878	18,178	21,847	25,313	26,393	26,842	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	216,755	60,407	18,897	137,451	18,878	18,178	21,847	25,313	26,393	26,842	0

FUNDING SCHEDULE (\$000)

Current Revenue: General	125,487	11,780	5,525	108,182	2,326	5,578	21,730	25,313	26,393	26,842	0
Current Revenue: Recordation Tax	83,941	48,627	11,572	23,742	13,052	10,573	117	0	0	0	0
Federal Aid	7,327	0	1,800	5,527	3,500	2,027	3366	0	0	0	0
Total	216,755	60,407	18,897	137,451	18,878	18,178	21,847	25,313	26,393	26,842	0

DESCRIPTION

The Technology Modernization (Tech Mod) project is a key component of the MCPS strategic technology plan, Educational Technology for 21st Century Learning. This plan builds upon the following four goals: students will use technology to become actively engaged in learning, schools will address the digital divide through equitable access to technology, staff will improve technology skills through professional development, and staff will use technology to improve productivity and results.

An FY 2005 appropriation was approved to roll-out the implementation of the technology modernization program. This project will update schools' technology hardware, software, and network infrastructure on a four-year replacement cycle, with a 5:1 computer/student ratio. The County Council, in the adopted FY 2005-2010 CIP reduced the Board of Education's request for the outyears of the FY 2005-2010 CIP by \$10.945 million. An FY 2006 appropriation and amendment to the FY 2005-2010 CIP was approved to continue the rollout plan. An FY 2007 appropriation was approved to continue this level of effort project. The expenditures for FY 2007 reflect three years of finance payments, as originally planned, in addition to the current year refreshment costs. The expenditures in the outyears represent the ongoing costs of a four-year refreshment cycle. An FY 2008 appropriation was approved to continue this project.

The Board of Education, in the Requested FY 2009 Capital Budget and FY 2009-2014 CIP, included additional funding for new initiatives for the Technology Modernization program. On May 22, 2008, the County Council approved an FY 2009 appropriation as requested by the Board of Education; however, the County Council reduced the expenditures earmarked for the Middle School Initiative program for FY 2010-2014. In FY 2009, MCPS purchased and installed interactive classroom technology systems in approximately 2/3 of all secondary classrooms. The total cost is projected at \$13.3 million, financed over a four-year period (\$3.4M from FY 2009-2012). The funding source for the initiative is anticipated to be Federal e-rate funds. The Federal e-rate funds programmed in this PDF consist of available unspent e-rate balance: \$1.8M in FY 2010, \$1.8M in FY 2011, and \$327K in FY 2012. In addition, MCPS projects future e-rate funding of \$1.6M each year (FY 2010-2012) that may be used to support the payment obligation pending receipt and appropriation. No county funds may be spent for the initiative payment obligation in FY 2010-2012 without prior Council approval.

This PDF reflects a decrease in the FY 2010 appropriation and FY 2010-2012 expenditures as requested by the Board of Education. The decrease in expenditures will temporarily extend the MCPS desktop replacement cycle from four to five years. The County Council will reconsider how to resume the four-year replacement cycle in a future CIP. An FY 2011 appropriation was approved; however, it was \$1.011 million less than the Board of Education's request. The appropriation will continue the technology modernization project and return to a four-year replacement cycle starting in FY 2013; as well as fund one additional staff position for this project. During the County Council's reconciliation of the amended FY 2011-2016 CIP, the Board of Education's requested FY 2012 appropriation was reduced by \$3.023 million due to a shortfall in Recordation Tax revenue.

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY03	(\$000)
First Cost Estimate		
Current Scope	FY00	0
Last FY's Cost Estimate		219,778
Appropriation Request	FY12	18,178
Supplemental Appropriation Request		3,339
Transfer		0
Cumulative Appropriation		98,182
Expenditures / Encumbrances		84,043
Unencumbered Balance		14,139
Partial Closeout Thru	FY09	16,050
New Partial Closeout	FY10	0
Total Partial Closeout		16,050

COORDINATION		
(\$000)	FY 11	FYs 12-16
Salaries and Wages:	1893	9465
Fringe Benefits:	807	4035
Workyears:	20.5	102.5

